1	KRISTINA M. DIAZ (SBN 151566) kristina.diaz@roll.com						
2	J. P. PECHT (SBN 233708)						
3	jp.pecht@roll.com JOHNNY TRABOULSI (SBN 211384)						
3	johnny.traboulsi@roll.com						
4	ROLL LAW GROUP PC						
5	11444 West Olympic Boulevard Los Angeles, California 90064-1557						
6	Telephone: (310) 966-8400						
7	Facsimile: (310) 966-8810						
8	Attorneys for Defendant and Cross-Complainant FIJI WATER COMPANY LLC						
9							
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA						
	COUNTY OF LOS ANGELES, CENTRAL DISTRICT						
11							
12		L G . N. 100MGV100056					
13	KELLY STEINBACH,	Case No. 19STCV03256					
14	Plaintiff,	[Assigned for All Purposes to The Hon. Richard E. Rico, Dept. 17]					
15	VS.	DEFENDANT AND CROSS-					
16	THE WONDERFUL COMPANY LLC and	COMPLAINANT FIJI WATER COMPANY LLC'S CROSS-COMPLAINT					
17	FIJI WATER COMPANY LLC,	AGAINST PLAINTIFF AND CROSS-					
	Defendants.	DEFENDANT KELLY STEINBACH					
18		DEMAND FOR JURY TRIAL					
19		4 61 1 7					
20		Action filed: January 31, 2019					
21	FIJI WATER COMPANY LLC,						
22							
23	Cross-Complainant,						
24	vs.						
25	KELLY STEINBACH,						
26	Cross-Defendant.						
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CROSS-COMPLAINT

Defendant and Cross-Complainant FIJI Water Company LLC ("FIJI" or "Cross-Complainant") hereby alleges as follows:

NATURE OF THE PARTIES' PRESENT DISPUTE

- 1. This action arises from simple greed on the part of Cross-Defendant Kelly Steinbach (professionally known as Kelleth Cuthbert) and her agents. Ms. Steinbach reneged on the valid agreement between herself and FIJI to serve as a Fiji Water Brand Ambassador and permit FIJI to use her likeness in its related advertising campaign, and instead, attempted to extort close to half a million dollars from FIJI because she wanted a better deal than the original \$90,000 she had originally accepted in exchange for such rights. FIJI refused to pay this steep ransom and instead insisted upon its contractual rights.
- 2. In a blatant attempt to skirt her contractual obligations, on January 31, Ms. Steinbach sued FIJI and an affiliated company, The Wonderful Company, alleging that the parties' contractual agreements and her very own signature (captured on videotape and in photographs), were somehow "fake" or otherwise nonexistent and that, consequently, FIJI had utilized her likeness in its advertising campaign without her consent. While such claims are false and belied by the facts, the irony is not lost on FIJI that Ms. Steinbach has now bitten the hand that feeds her by suing the very company that is entirely responsible for providing her the opportunity and the means to capitalize on her fleeting 15 minutes of internet fame.
- 3. Ms. Steinbach's decision to bring suit against FIJI for her baseless claims necessitates FIJI bringing the present Cross-Complaint against her to defend itself and enforce its rights under the parties' agreement that Ms. Steinbach has materially breached and that expressly permit the use of her likeness in FIJI's advertising campaign, all of which Ms. Steinbach and/or her agents knowingly consented and agreed to.

GENERAL ALLEGATIONS

4. FIJI is a limited liability company organized under the laws of the State of Delaware, doing business in the State of California. FIJI sells FIJI® Water, natural artesian water

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11. An example of Ms. Steinbach photobombing two such celebrities at the Golden Globes can be seen below:



- 12. The photos of Ms. Steinbach photobombing celebrities became widely circulated on the internet and as viral internet memes on various social media websites and apps.
- The very next day, on Monday January 7, 2019, FIJI's Vice President of Marketing, Clarence Chia, and Ms. Steinbach's agent, Steve Miller of Wilhelmina Models, began negotiations relating to Ms. Steinbach serving as a FIJI Water Brand Ambassador and for FIJI to be able to use Ms. Steinbach's likeness. While those negotiations occurred, Mr. Miller and FIJI preliminarily agreed that Ms. Steinbach would make a number of media appearances for FIJI for a perappearance fee of \$1,200 for various agreed-upon media appearances occurring between January 7 through January 9, 2019.
- 14. On the evening of January 8, in an email exchange between Mr. Chia and Mr. Miller, Mr. Miller, as agent for Ms. Steinbach, agreed to the terms of a one-year exclusivity agreement, commencing on January 9, for Ms. Steinbach to engage as a consultant for FIJI Water as a FIJI Water Brand Ambassador for payment of \$75,000 plus 20% (for a total of \$90,000) by FIJI Water (the "Email Agreement"). Importantly, those agreed-upon terms included the following: "FIJI Water has right to use Cuthbert's name, likeness and performance during the term in connection with her acting as FIJI Water Brand Ambassador." Mr. Miller unequivocally wrote to FIJI that with respect to the above terms (including FIJI's rights to use Ms. Steinbach's likeness): "Understood. We're in agreement."

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15. A screen shot of the Email Agreement is set forth below:

From: Steve Miller <u>Steve Miller@wilhelmina.com</u>>
Sant: Tuesday, January 8, 2019 9:57:21 PM
To: Chia, Clarence
Subject: Re: Daily Mail TV (NYC) Interview - #FUllwatergiri - Kelleth Cuthber

Understood. We're in agreement

Sent from my iPhone

On Jan 8, 2019, at 9:28 PM, Chia, Clarence < Clarence. Chia@fijiwater.com> wrote:

Critics Choice Awards and Screen Actors Guild Awards were confirmed prior to the Golden Globes.

From: Steve Miller <<u>Steve Miller @wilhelmina.com</u>>
Sent: Tuesdey, January 8, 2019 9:24:39 PM
To: Chia, Clarence
Subject: Re: Daily Mail TV (NYC) Interview - #FUlwatergiri - Kelleth Cuthbert

How many pre-confirmed staffing arrangements have been made and for which award shows?

Sent from my iPhone

On Jan 8, 2019, at 9:14 PM, Chia, Clarence < Clarence. Chia@fijiwater.com> wrote:

Great, with the exception of pre-confirmed staffing arrangements at future awards shows and the media appearances for tomorrow (1/9), can you please confirm the below is accurate:

- Kelleth Cuthbert to serve as FIJI Water Brand Ambassador
 - Participate in a minimum of (3) appearances booked by FIJI Water
 - Adhere to FIJI Water's messaging guidelines and endorser guidelines
- FIJI Water has right to use Cuthbert's name, likeness and performance during the term in connection with her acting as FIJI Water Brand Ambassador
 - FIJI owns all rights to "FIJI Water Girl" and Cuthbert agrees to assign any rights developed or obtained by her to FIJI Water
- Exclusivity: During term, Cuthbert shall not engage in, nor authorize use of her name or likeness, in connection with any advertising, marketing or promotion with any other food or beverage products including red carpet events.
- Term: 1 year (1/9/19 1/8/20)
- Fee: \$75,000 + 20%
- 16. In reliance upon the Email Agreement and Mr. Miller's confirmation that FIJI Water was permitted to use Ms. Steinbach's likeness in connection with serving as a FIJI Water Brand Ambassador, FIJI Water began creating and ordering life-size cardboard cut-outs of Ms. Steinbach which were intended to be placed at point-of-sale ("POS") retail locations where FIJI Water is sold in the United States. The cut-outs were intended to permit retail customers to take photos of themselves being "photobombed" by the image of Ms. Steinbach.
- 17. On January 9, 2019, the very morning after the Email Agreement was finalized, Ms. Steinbach appeared on live television on KTLA 5 Morning News, which is published in its entirety at the following internet link: https://youtu.be/RH7dKDiJdMc?t-190. During her interview, Ms. Steinbach was specifically asked if she had agreed to become a "FIJI Water Ambassador." Ms. Steinbach corrected the interviewer to confirm that she had actually agreed to be a FIJI Water Brand Ambassador, confirming the exact language used in the Email Agreement that permitted FIJI Water to use Ms. Steinbach's likeness. Ms. Steinbach would not have been able to confirm she was a FIJI Water Brand Ambassador had the Email Agreement not been

- 18. That afternoon, Ms. Steinbach came to FIJI Water's offices in Los Angeles to sign a formal Consulting Services Agreement (the "Consulting Agreement") with FIJI Water which set forth the critical email terms previously agreed to by Mr. Miller on behalf of Ms. Steinbach. The Consulting Agreement was provided to Ms. Steinbach's agent, Mr. Miller, in advance of her visit to FIJI's offices. Ms. Steinbach signed the Consulting Agreement during a videotaped and photographed signing session to memorialize the parties' new contractual relationship.
 - 19. One of the owners of FIJI Water, Lynda Resnick, signed the Consulting Agreement on FIJI's behalf during the taped signing session. Mrs. Resnick also gave a gift of blue earrings to Ms. Steinbach to commemorate the new business relationship, which Ms. Steinbach accepted.
 - 20. Additionally, during her visit to FIJI Water's offices, Ms. Steinbach was presented with samples of the cardboard life-size cut-outs of her likeness and was informed that such cut-outs would be placed at point-of-sale locations for FIJI Water as part of her new role as FIJI Water Brand Ambassador.
 - 21. Ms. Steinbach approved and consented to the use of her cut-outs at that time for FIJI's advertising campaign, and in fact, loved them so much that she had FIJI take pictures of her standing next to her own cardboard cut-out of her likeness. Ms. Steinbach then widely broadcast such pictures on her own Instagram account on the internet that same day with approving commentary. A copy of Ms. Steinbach's Instagram post is below:



- 22. Paragraph 7 of the Consulting Agreement signed by Ms. Steinbach incorporated the terms of the already-agreed upon language from the Email Agreement and states explicitly that "During the Term [FIJI Water] shall have the right to use in any manner or media [Ms. Steinbach's] name, aliases, voice, performance and likeness in connection with her acting as a FIJI Water Brand Ambassador."
- 23. Paragraph 6 of the Consulting Agreement states that during the year-long term of the Consulting Agreement, Ms. Steinbach "shall neither engage in, nor authorize use of her name or likeness in or in connection with, any advertising, marketing or promotion of any other food or beverage products, including without limitation at any red carpet events."
- 24. Paragraph 11 of the Consulting Agreement also authorizes that "[i]n the event of any suit, action or proceeding arising in connection with this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' costs and fees (based on market rates) incurred by such party in suit, action or proceeding from the non-prevailing party..."
- 25. Following the signing event, Ms. Steinbach took the only signed copy of the Consulting Agreement with her.
- 26. Immediately following the signing event, a PR representative for FIJI Water sent Ms. Steinbach a text asking: "How did it go? Are you still [at FIJI's offices]?" Ms. Steinbach responded: "It went amazingly!! Everybody was so kind. Just made it home:)"
- 27. On information and belief, and unbeknownst to FIJI, Ms. Steinbach later intentionally destroyed the only signed copy of the Consulting Agreement. A copy of the Consulting Agreement with the exact terms that were contained in the signed copy destroyed by Ms. Steinbach is attached as Exhibit A.
- 28. Ms. Steinbach's act of destroying the signed copy of the Consulting Agreement does not render the Consulting Agreement "fake" as she has alleged in her Complaint, nor does it render the signing event or her very own signature captured on videotape and photographs "fake". Rather, Ms. Steinbach is still bound to the terms contained in the Email Agreement and Consulting Agreement that she agreed to, and her subsequent destruction of the Consulting Agreement does

grocery stores. Ms. Steinbach posted amusing comments in connection with these images such as "Even when I'm not there, I'm still there" and "Lol" (meaning "laughing out loud"). An example of Ms. Steinbach's social media posts is below:



- 32. Ms. Steinbach's approving comments that she posted in connection with FIJI's POS displays is consistent with the parties' prior agreement that FIJI could use her likeness in connection with her role as a FIJI Water Brand Ambassador.
- 33. Indeed, if Ms. Steinbach thought such POS displays constituted an improper appropriation of her likeness, she greatly exacerbated her own alleged financial and emotional injury by unnecessarily re-broadcasting such displays to her hundreds of thousands of social media followers.
- 34. On January 10, 2019, and only after FIJI had deployed its POS advertising displays in reliance upon the parties' agreements and Ms. Steinbach's own verbal consent, Mr. Miller began requesting that the existing agreement between the parties be amended with respect to the scope of

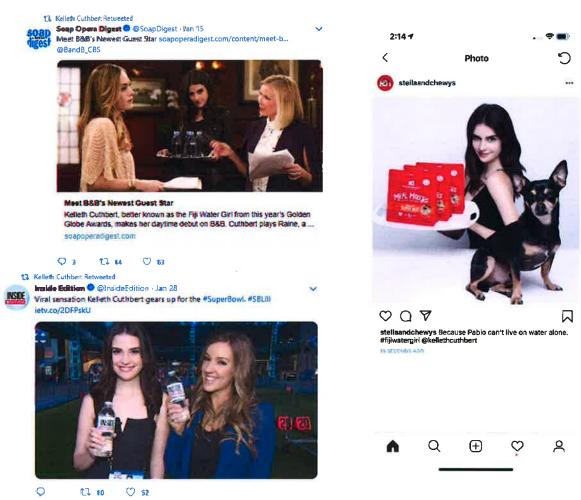
FIJI's use of Ms. Steinbach's likeness. Mr. Miller did not at that time indicate any belief that the Consulting Agreement was "fake" or otherwise invalid in connection with amending the parties' agreements.

- 35. However, despite the parties' existing agreement, and only after FIJI Water had already invested and implemented its cardboard cut-outs at POS locations, on January 12, Ms. Steinbach's attorney, Will Jacobson, first informed FIJI Water that Ms. Steinbach was repudiating the parties' agreement, and stated his belief that no agreement existed between the parties and that Ms. Steinbach had not in fact signed the Consulting Agreement.
- 36. Indeed, rather than comply with the parties' obligations under their agreement, Mr. Jacobson informed FIJI Water that Ms. Steinbach would not agree to be a FIJI Water Brand Ambassador or permit FIJI Water to use her likeness unless it paid half a million dollars for a significantly narrowed six month exclusivity term that applied solely to water (rather than all food and beverage as contemplated in the original agreements).
- 37. Ms. Steinbach essentially reneged on the parties' agreement with the apparent intent of unilaterally renegotiating its terms, in an effort to extract an almost ten-fold increase in compensation from FIJI Water. Ms. Steinbach's repudiation of the agreement was a material breach of her obligations under the agreement.
- 38. Ms. Steinbach and her agents intentionally denied the existence of the Email and Consulting Agreements (despite at all times knowing that both agreements were valid and enforceable and that she had expressly consented to FIJI's use of her likeness) for the sole purpose of attempting to improperly extract additional money from FIJI and/or capitalize off of FIJI's fame, including for use in unauthorized product endorsements and other appearances. Ms. Steinbach's improper and false denials of her contractual relationship with FIJI has cost FIJI the goodwill of its customers and business partners and caused injury to its business reputation.
- 39. As a result of Ms. Steinbach's material breach, FIJI was forced to remove its cutouts from POS locations beginning January 17, 2019, and incurred significant costs in doing so.
 - 40. Ms. Steinbach additionally began to materially breach the Email and Consulting

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Agreements by authorizing her likeness in connection with the advertising of food and beverage products, including promotions for food products made by Stella & Chewys, and bottled water products promoting the television shows *Inside Edition* and *The Bold and the Beautiful*. Some examples of these promotions improperly authorized by Ms. Steinbach are reproduced below:



FIRST CROSS-CLAIM

(BREACH OF WRITTEN CONTRACT – EMAIL AGREEMENT)

- 41. FIJI realleges and incorporates by reference paragraphs 1-40 of this Cross-Complaint as if fully set forth herein.
- 42. On January 8, 2019, FIJI and Ms. Steinbach, through her agents, entered into the Email Agreement.
 - 43. FIJI has performed all conditions, covenants and promises required to be performed

by it under the Email Agreement or, alternatively, FIJI had the ability to perform, and was ready and willing to do so, but for Ms. Steinbach's material breach of the Email Agreement.

- 44. Ms. Steinbach breached the Email Agreement as described above, including by refusing to serve as a FIJI Water Brand Ambassador, by refusing to permit FIJI Water to use Ms. Steinbach's likeness, by authorizing the use of her likeness in advertising that featured non-FIJI related food and beverage products, and by otherwise repudiating the existence of the Email Agreement and her obligations thereunder.
 - 45. Ms. Steinbach's conduct constituted material breaches of the Email Agreement.
- 46. As a result of Ms. Steinbach's breaches as referenced above, FIJI was damaged in an amount to be proven at trial.

SECOND CROSS-CLAIM

(BREACH OF WRITTEN CONTRACT – CONSULTING AGREEMENT)

- 47. FIJI realleges and incorporates by reference paragraphs 1-40 of this Cross-Complaint as if fully set forth herein.
- 48. On January 9, 2019, FIJI and Ms. Steinbach entered into and executed the Consulting Agreement.
- 49. FIJI has performed all conditions, covenants and promises required to be performed by it under the Consulting Agreement or, alternatively, FIJI had the ability to perform, and was ready and willing to do so, but for Ms. Steinbach's material breach of the Consulting Agreement.
- 50. Ms. Steinbach breached the Consulting Agreement as described above, including by refusing to serve as a FIJI Water Brand Ambassador, by refusing to permit FIJI Water to use Ms. Steinbach's likeness, and by authorizing the use of her likeness in advertising that featured non-FIJI related food and beverage products, and by otherwise repudiating the existence of the Consulting Agreement and her obligations thereunder.
- 51. Ms. Steinbach's conduct constituted material breaches of the Consulting Agreement.
 - 52. As a result of Ms. Steinbach's breaches as referenced above, FIJI was damaged in

an amount	to	be	proven	at	tria
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THIRD CROSS-CLAIM

(BREACH OF EXPRESS ORAL CONTRACT)

- 53. FIJI realleges and incorporates by reference paragraphs 1-40 of this Cross-Complaint as if fully set forth herein.
- 54. On or about, January 9, 2019, FIJI and Ms. Steinbach entered into an express oral agreement, consenting to the use of her likeness in exchange for a payment of \$90,000.
- 55. FIJI has performed all conditions, covenants and promises required to be performed by it under the oral agreement or, alternatively, FIJI had the ability to perform, and was ready and willing to do so, but for Ms. Steinbach's material breach of the express oral agreement to permit FIJI Water to use her likeness.
- 56. Ms. Steinbach breached the express oral agreement as described above, including by refusing to permit FIJI Water to use Ms. Steinbach's likeness and by otherwise repudiating the existence of the express oral agreement and her obligations thereunder.
- 57. Ms. Steinbach's breaches constituted material breaches of the express oral agreement.
- 58. As a result of Ms. Steinbach's breaches as referenced above, FIJI was damaged in an amount to be proven at trial.

FOURTH CROSS-CLAIM

(PROMISSORY ESTOPPEL)

- 59. FIJI realleges and incorporates by reference paragraphs 1-40 of this Cross-Complaint as if fully set forth herein.
- 60. FIJI alleges that the facts pleaded herein give rise to a cause of action for Breach of Contract, as set forth above. In the alternative, FIJI pleads a cause of action for promissory estoppel as set forth below.
- 61. On multiple instances in both writing and verbally between January 8 and January 10, Ms. Steinbach and/or her agents clearly and unambiguously promised FIJI that FIJI had the

authorization to use Ms. Steinbach's likeness in connection with promoting FIJI Water.

- 62. Ms. Steinbach breached that promise by not permitting FIJI Water to use her likeness in its promotional material, including but not limited to its use of cardboard cut-outs at POS locations.
- 63. As described above, FIJI Water reasonably and actually relied upon Ms. Steinbach and/or her agents' promise to permit FIJI to use her likeness.
- 64. FIJI's Water's reasonable reliance upon Ms. Steinbach and/or her agents' promise was foreseeable given that Ms. Steinbach and her agents knew and consented to FIJI's implementation of a national advertising campaign utilizing cardboard cut-outs or other images of Ms. Steinbach's likeness.
- 65. FIJI Water detrimentally relied upon Ms. Steinbach and/or her agents' promise that it had authority to use Ms. Steinbach's likeness, including but not limited to the cost it incurred to create, distribute, implement, and ultimately withdraw the cardboard cut-out advertising campaign at POS locations.
- 66. Injustice can be avoided only be enforcement of Ms. Steinbach and/or her agents' promise to permit FIJI Water to use Ms. Steinbach's likeness.
- 67. As a result of Ms. Steinbach's breaches as referenced above, FIJI was damaged in an amount to be proven at trial.

FIFTH CROSS-CLAIM

(FALSE PROMISE)

- 68. FIJI realleges and incorporates by reference paragraphs 1-40 of this Cross-Complaint as if fully set forth herein.
- 69. FIJI alleges that the facts pleaded herein give rise to a cause of action for Breach of Contract, as set forth above. In the alternative, FIJI pleads a cause of action for false promise as set forth below.
- 70. On multiple instances in both writing and verbally between January 8 and January 10, Ms. Steinbach and/or her agents clearly and unambiguously promised FIJI that FIJI had the

authorization to use Ms. Steinbach's likeness in connection with promoting FIJI Water.

- 71. Ms. Steinbach did not intend to permit FIJI Water to use her likeness when she and/or her agents made that promise.
- 72. Ms. Steinbach intended that FIJI rely on her promise in order to subsequently attempt to extort nearly a half million dollars from FIJI after it had already deployed its advertising campaign utilizing Ms. Steinbach's likeness.
- 73. FIJI reasonably relied upon the promise made by Ms. Steinbach and/or her agents that FIJI had authorization to use Ms. Steinbach's likeness in deploying its marketing campaign that utilized said likeness.
- 74. Ms. Steinbach and/or her agents intentionally violated her promise by subsequently withdrawing her consent and/or denying she had provided consent to use her likeness.
- As a result of the false promise by Ms. Steinbach and/or her agents, FIJI Water was harmed and its detrimental reliance upon Ms. Steinbach and/or her agents' false promise that it had authority to use Ms. Steinbach's likeness, was a substantial factor in causing FIJI's damages, including but not limited to, the cost FIJI incurred to create, distribute, implement, and ultimately withdraw the cardboard cut-out advertising campaign at POS locations, as well as damages relating to FIJI's loss of goodwill of its customers and business partners and injury to its business reputation.

PRAYER FOR RELIEF

WHEREFORE, Defendant and Cross-Complainant FIJI prays for judgment on its Cross-Complaint, as follows:

- 1. That Plaintiff's Complaint be dismissed and that Plaintiff take nothing from Defendants under the claims alleged in the Complaint;
- 2. For compensatory damages against Cross-Defendant Kelly Steinbach in the amount to be proven at trial;
 - 3. For its market-rate attorneys' fees and costs of suit incurred herein; and
 - 4. For such other relief as the Court may deem proper.